SHIELD
CLIENT
CONNECT
NASHVILLE 2026

WHEN MONEY MOVES

Understanding common business financial statements

Follow the transaction. Find the statement impact.
Identify when cash actually changes hands.

VIEW AGENDA

Start with the banker's question

Profit matters. Liquidity determines whether obligations can be met.

WHEN DID MONEY ACTUALLY MOVE?

01

- Is the business profitable?

02

- What does it own and owe?

03

- Where did cash come from and go?

Core principle: profit and cash are not the same thing.

Cash accounting vs. accrual accounting

The difference is timing, not whether the transaction exists.

Cash Accounting

Record it when cash changes hands.

- Revenue when cash is received
- Expense when cash is paid
- Simple view of liquidity

Accrual Accounting

Record it when earned or incurred.

- Revenue when earned
- Expense when incurred
- Creates receivables and payables

The three primary financial statements

Each answers a different question. Together they tell the full story.

Income Statement

Did the company make money?

- Performance over a period
- Revenue less expenses
- Ends in net income
- Profit may differ from cash

Balance Sheet

What does it own and owe?

- Snapshot at a point in time
- Assets = Liabilities + Equity
- Tracks receivables, inventory and debt

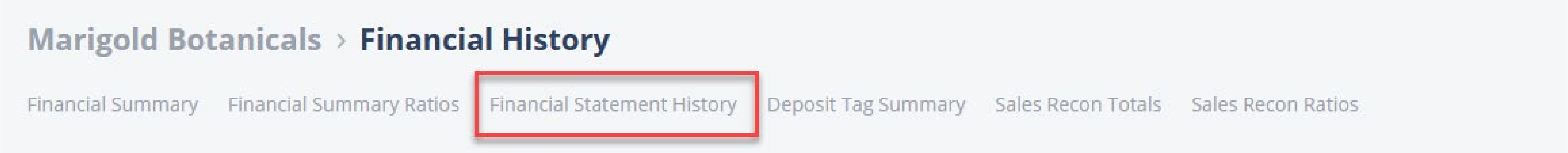
Statement of Cash Flows

Where did cash come from and go?

- Operating activities
- Investing activities
- Financing activities

Financial Statements In Assure

Client → Quick Jump “Financial History” → Financial Statement History



Financial Statement History

Financial Statement History

↓ Report	Category	2026-08 Accounting Package	2026-07 Accounting Package	2026-06 Accounting Package	2026-05 Accounting Package	2026-04 Accounting Package	2026-03 Accounting Package	2026-02 Accounting Package
GL Income Statement - PTD	Sales	$ 449,117.10	$ 746,883.91	$ 733,519.45	$ 541,516.17	$ 518,246.57	$ 861,271.54	$ 878,514.98
GL Income Statement - PTD	TOTAL SALES	$ 449,117.10	$ 746,883.91	$ 733,519.45	$ 541,516.17	$ 518,246.57	$ 861,271.54	$ 878,514.98
GL Income Statement - PTD	Cost Of Sales Depreciation	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
GL Income Statement - PTD	Employee Benefits	$ -1,640.00	$ -1,640.00	$ -1,640.00	$ -1,640.00	$ -1,225.00	$ -1,640.00	$ -1,640.00
GL Income Statement - PTD	Other Cost Of Sales	$ -88,188.10	$ -339,448.50	$ -523,873.85	$ -254,724.78	$ -332,325.38	$ -706,148.20	$ -630,239.02
GL Income Statement - PTD	Other Direct Labour	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
GL Income Statement - PTD	TOTAL COST OF SALES	$ -89,828.10	$ -341,088.50	$ -525,513.85	$ -256,364.78	$ -333,550.38	$ -707,788.20	$ -631,879.02
GL Income Statement - PTD	TOTAL GROSS PROFIT	$ 359,289.00	$ 405,795.41	$ 208,005.60	$ 285,151.39	$ 184,696.19	$ 153,483.34	$ 246,635.96
GL Income Statement - PTD	Bank Charges And Interest	$ -1,020.00	$ -2,870.30	$ -1,080.00	$ -1,010.00	$ -2,912.58	$ -1,060.00	$ -1,090.00
GL Income Statement - PTD	Corporate Tax	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
GL Income Statement - PTD	Depreciation	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
GL Income Statement - PTD	Employee Benefits	$ -4,329.15	$ -3,348.42	$ -3,120.84	$ -7,301.89	$ -5,741.47	$ -3,120.84	$ -3,120.84
GL Income Statement - PTD	Interest Receivable	$ 0.00	$ 0.00	$ 0.00	$ 3.41	$ 1.68	$ 1.73	$ 1.56
GL Income Statement - PTD	Occupancy Costs	$ -16,679.81	$ -16,679.81	$ -16,679.81	$ -16,679.81	$ -16,679.81	$ -16,679.81	$ -42,152.45
GL Income Statement - PTD	Other Gross Wages	$ -234,458.77	$ -192,151.87	$ -127,995.89	$ -211,760.87	$ -238,952.53	$ -189,333.43	$ -298,814.85
GL Income Statement - PTD	Other Income	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 208.37
GL Income Statement - PTD	Other Operating Expenses	$ -4,043.48	$ -20,800.85	$ -21,077.74	$ -5,652.74	$ -12,194.97	$ -14,973.81	$ -5,419.47
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SHIELD
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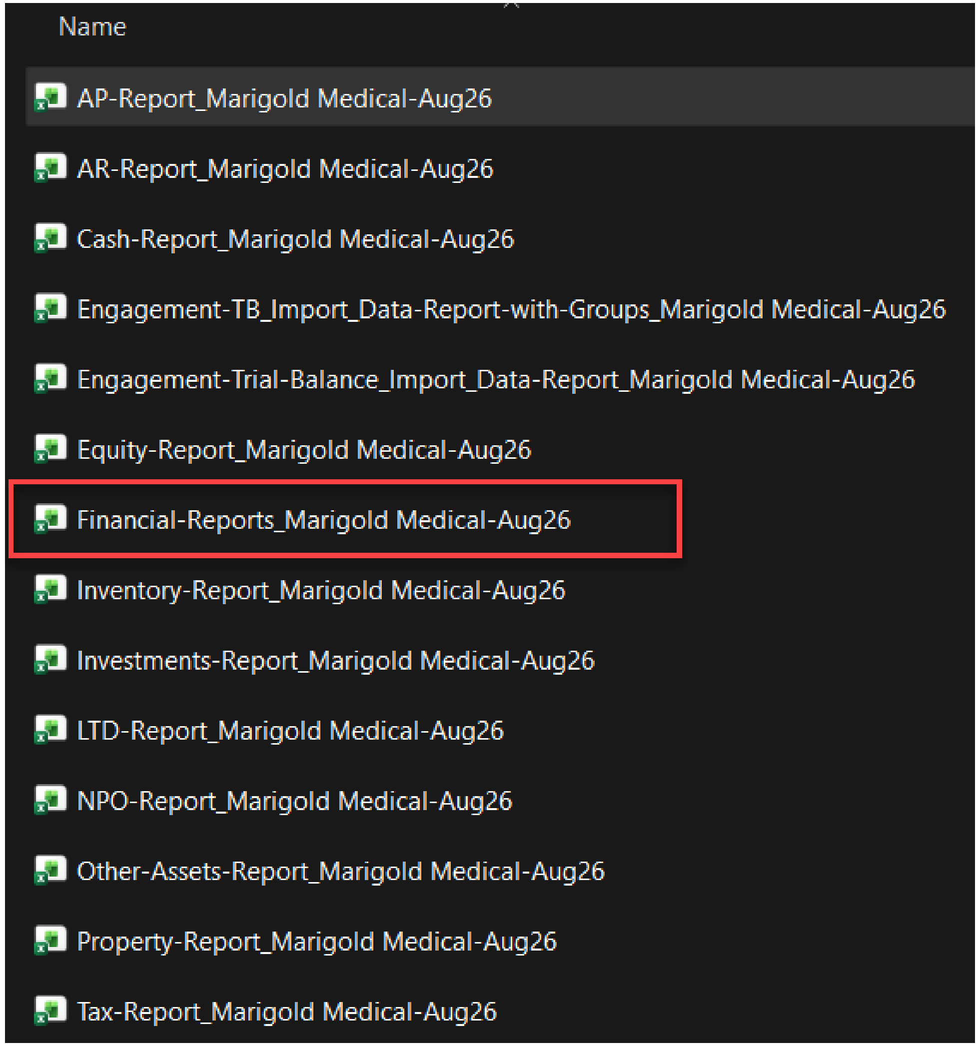
Where can I find these reports in Assure?

The night after a client has uploaded their financial data through the Accounting Upload case (using Validis), a zip file will be attached to the case. This file contains a number of reports. For this information – look for the *Financial Reports* workbook.



Financial Reports (Working Papers)

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NASHVILLE 2026

The Financial Reports workbook contains:

- Financial Snapshot
- Income Statement (Standard & Detailed)
- Balance Sheet (Standard & Detailed)
- Cash Flow Statement
- Trial Balance

Income Statement - Standard

	Period Jan 2026 - Aug 2026	Period Jan 2025 - Aug 2025	Variance	Variance %
Revenue	5,651,667.16	5,699,940.67	(48,273.51)	(0.85) %
Cost of Goods Sold	3,002,542.77	3,170,652.58	(168,109.81)	(5.30) %
Gross Profit/(Loss)	**2,649,124.39**	**2,529,288.09**	**119,836.30**	**4.74 %**
Operating Expenses				
Bad Debts				
Depreciation & Amortization	0.00	0.00	0.00	-
Directors costs				
Disposals				
Payroll Costs	1,821,924.70	2,087,146.55	(265,221.85)	(12.71) %
Exchange differences				
Professional fees	16,005.24	14,253.04	1,752.20	12.29 %
Repairs and Maintenance	13,440.75	27,344.88	(13,904.13)	(50.85) %
Rent and Utilities	158,911.12	144,129.11	14,782.01	10.26 %
Research & Development	0.00	0.00	0.00	-
Sales & Marketing	121,810.93	143,786.81	(21,975.88)	(15.28) %
Telecommunications	5,064.39	3,740.38	1,324.01	35.40 %
Other Operating Expenses	93,721.87	142,688.01	(48,966.14)	(34.32) %
	2,230,879.00	**2,563,088.78**	**(332,209.78)**	**(12.96) %**
Operating Profit/(Loss)	**418,245.39**	**(33,800.69)**	**452,046.08**	**(1,337.39) %**
Investment Income				
Other Income/(Expenses)	218.47	6,827.92	(6,609.45)	(96.80) %
Interest Expense	(14,007.73)	(16,745.34)	2,737.61	(16.35) %
Profit/(Loss) before tax	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**
Income tax expense	0.00	0.00	0.00	-
Profit/(Loss) after tax	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**
Dividends				
Retained profit/(Loss)	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**

Financial Snapshot | Income Statement (standard) | Balance Sheet (standard) | Cash Flow Statement | Income Statement (de

SHIELD COMPLIANCE

Income Statement - Detailed

9	**Revenue**				
10	ATM Income	11,982.00	18,053.02	(6,071.02)	(33.63) %
11	Medical MJ Revenue:Medical MJ Discounts	(3,229.48)	(260.17)	(2,969.31)	1,141.30 %
12	Merchandise Revenue:Merchandise Discounts	(18,943.12)	(22,485.50)	3,542.38	(15.75) %
13	Recreational MJ Revenue	(0.06)	0.00	(0.06)	-
14	Recreational MJ Revenue:Recreational MJ Discou	(478,322.13)	(538,531.46)	60,209.33	(11.18) %
15	Shipping Income	1,775.00	497.00	1,278.00	257.14 %
16	Tip Income	75,550.39	84,979.96	(9,429.57)	(11.10) %
17	40110 - Medical MJ Revenue:Medical MJ Revenu	46,012.55	96,615.53	(50,602.98)	(52.38) %
18	40120 - Merchandise Revenue:Merchandise Reve	101,586.83	91,673.29	9,913.54	10.81 %
19	40130 - Recreational MJ Revenue:Recreational M	5,908,288.96	5,921,926.23	(13,637.27)	(0.23) %
20	49900 - Uncategorized Income	6,966.22	47,472.77	(40,506.55)	(85.33) %
21	**Revenue**	**5,651,667.16**	**5,699,940.67**	**(48,273.51)**	**(0.85) %**
22					
23	**Cost of Revenue**				
24	Beginning Inventory:Medical				
25	Beginning Inventory:Merchandise				
26	Beginning Inventory:Recreational				
27	Decontamination				
28	Ending Inventory:MIP				
29	Ending Inventory:Medical				
30	Ending Inventory:Recreational				
31	General				
32	General:Consumables				
33	General:Consumables:Trim				
34	General:Equipment Rental				
35	General:Lab Fees				

115	**Operating Expenses**	**(2,230,879.00)**	**(2,563,088.78)**	**332,209.78**	**(12.96) %**
116					
117	**Operating Profit/(Loss)**	**418,245.39**	**(33,800.69)**	**452,046.08**	**(1,337.39) %**
118					
119	**Financial Charges and Other Income**				
120	interest Income	10.10	6,541.05	(6,530.95)	(99.85) %
121	60400 - Bank Service Charges	(8,300.00)	(8,152.04)	(147.96)	1.82 %
122	63400 - Interest Expense	(5,707.73)	(8,593.30)	2,885.57	(33.58) %
123	71000 - Miscellaneous Income:Vendor Fees	208.37	286.87	(78.50)	(27.36) %
124	**Financial Charges and Other Income**	**(13,789.26)**	**(9,917.42)**	**(3,871.84)**	**39.04 %**
125					
126	**Profit/(Loss) before tax**	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**
127					
128	**Profit/(Loss) after tax**	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**
129					
130	**Retained profit/(Loss)**	**404,456.13**	**(43,718.11)**	**448,174.24**	**(1,025.15) %**

Income Statement (standard) | Balance Sheet (standard) | Cash Flow Statement | Income Statement (detailed) | Bala

Balance Sheet

Standard

	Period Jan 2026 - Aug 2026	Period Jan 2025 - Aug 2025	Variance	Variance %
Current Assets				
Cash and Short Term Investments	384,423.08	383,233.42	1,189.66	0.31 %
Trade and Other Receivables	36,460.44	11,493.94	24,966.50	217.21 %
Inventory	1,235,531.85	1,147,481.68	88,050.17	7.67 %
Prepaid Expenses	64,700.49	49,885.16	14,815.33	29.70 %
Other Current Assets	33,276.89	(59,652.45)	92,929.34	(155.78) %
	1,754,392.75	**1,532,441.75**	**221,951.00**	**14.48 %**
Non-Current Assets				
Property, Plant and Equipment	44,920.62	25,212.75	19,707.87	78.17 %
Goodwill				
Intangible Assets	904,121.89	904,121.89	0.00	-
Long Term Investments				
Other Non-Current Assets				
	949,042.51	**929,334.64**	**19,707.87**	**2.12 %**
Total Assets	**2,703,435.26**	**2,461,776.39**	**241,658.87**	**9.82 %**
Current Liabilities				
Short Term Borrowings	1,076.76	27,162.56	(26,085.80)	(96.04) %
Current Portion of Long Term Debt				
Obligations Under Capital Leases				
Trade and Other Payables	(2,956.96)	1,889.57	(4,846.53)	(256.49) %
Accrued Expenses				
Other Current Liabilities	198,466.30	130,396.73	68,069.57	52.20 %
	196,586.10	**159,448.86**	**37,137.24**	**23.29 %**
Non-Current Liabilities				
Long Term Debt	0.00	0.00	0.00	-
Obligations Under Capital Leases				
Other Non-Current Liabilities	128,600.00	310,783.16	(182,183.16)	(58.62) %
	128,600.00	**310,783.16**	**(182,183.16)**	**(58.62) %**
Shareholders Equity				
Common Stock				
Preferred Stock				
Profit/(Loss) YTD	2,378,249.16	1,991,544.37	386,704.79	19.42 %
Other Equity				
	2,378,249.16	**1,991,544.37**	**386,704.79**	**19.42 %**
Total Liabilities and Equity	**2,703,435.26**	**2,461,776.39**	**241,658.87**	**9.82 %**

Balance Sheet - Detailed

		Period Jan 2026 - Aug 2026	Period Jan 2025 - Aug 2025	Variance	Variance %
9	**Current Assets**				
10	2025 Estimated Tax Payments	39,000.00	0.00	39,000.00	-
11	ATM In/Out	(22,741.97)	(7,337.97)	(15,404.00)	209.92 %
12	Accounts Receiveable Realty Co.	1.00	1.00	0.00	-
13	Cash in Drawers	2,400.00	2,400.00	0.00	-
14	DUE From THE Real Estate	0.00	(108,333.34)	108,333.34	(100.00) %
15	Due from Joe Smith	3,297.00	3,297.00	0.00	-
16	Federal Tax Carryforward	35,292.65	35,292.65	0.00	-
17	Income Tax Estimate	2,762.21	2,762.21	0.00	-
18	Inventory:Inventory - Cultivation - Rec	290,162.91	269,968.66	20,194.25	7.48 %
19	Inventory:Inventory - MIP - Rec	432,160.38	306,690.23	125,470.15	40.91 %
20	Inventory:Inventory - MIP - Rec:Inventory MIF	55,505.73	101,570.21	(46,064.48)	(45.35) %
21	Inventory:Inventory - MIP - Rec:Inventory MIF	201,975.19	231,739.54	(29,764.35)	(12.84) %
22	Inventory:Inventory - Merchandise	48,136.39	60,924.81	(12,788.42)	(20.99) %
23	Inventory:Inventory - Retail Med	1,400.01			
24	Inventory:Inventory - Retail Rec	206,191.24			
25	Prepaid Insurance	10,512.44			
26	Receivable ERC	52.44			
27	State Tax Carryforward	14,666.00			
28	OCTNA ATM Acct * 3010	23,817.28			
29	OCTNA Savings Acct * 4170	1,392.56			
30	OCTNA Wholesale Acct * 5552	1,637.12			
31	Ocean Trust Bank * 2943	287,003.66			
32	10010 - Cash Account	16,044.12			
33	10030 - Petty Cash Fund - Retail Store	4,564.14			
34	10035 - PrePaid Gift Cards	15,122.55			
35	10042 - Desert Trust	505.00			
36	10045 - Change Box	3,214.96			
37	11000 - Accounts Receivable	36,408.00			
38	12000 - Undeposited Funds	43,844.24			
39	12200 - Employee Advance	65.50			
40	**Current Assets**	**1,754,392.75**			
41					

75	24600 - Excise Tax Payable	10,530.00	10,450.00	80.00	0.77 %
76	**Current Liabilities**	**196,586.10**	**159,438.86**	**37,147.24**	**23.30 %**
77					
78	**Non-Current Liabilities**				
79	N/P Betty Blue Estate	128,600.00	257,200.00	(128,600.00)	(50.00) %
80	N/P Joe Smith	0.00	26,791.50	(26,791.50)	(100.00) %
81	N/P Tom Greene	0.00	26,791.66	(26,791.66)	(100.00) %
82	**Non-Current Liabilities**	**128,600.00**	**310,783.16**	**(182,183.16)**	**(58.62) %**
83					
84	**Capital and Reserves**				
85	Accumulated Deficit	(696,347.79)	(696,347.79)	0.00	-
86	Dave Kulberg Equity	20,000.00	20,000.00	0.00	-
87	Treasury Stock	(523,000.00)	(523,000.00)	0.00	-
88	30400 - Joe Smith Equity	430,000.00	430,000.00	0.00	-
89	30600 - Tom Greene Equity	430,000.00	430,000.00	0.00	-
90	31000 - Retained Earnings	2,313,140.82	2,374,610.27	(61,469.45)	(2.59) %
91	**Capital and Reserves**	**1,973,793.03**	**2,035,262.48**	**(61,469.45)**	**(3.02) %**
92	Profit/(Loss) YTD	404,456.13	(43,718.11)	448,174.24	(1,025.15) %
93	**Total Liabilities and Equity**	**2,703,435.26**	**2,461,766.39**	**241,668.87**	**9.82 %**

SHIELD COMPLIANCE

Cash Flow Statements

8		Period Jan 2026 - May 2026	Period Jan 2025 - May 2025
9	**Operating profit before w/capital changes**		
10	Profit/(Loss) before tax	**(262,782.26)**	**0.00**
11	Depreciation	0.00	0.00
12	Amortization charges	0.00	0.00
13	Impairment charges		
14		**(262,782.26)**	**0.00**
15			
16	Movement in inventories	0.00	0.00
17	Movement in trade and other receivables	0.00	0.00
18	Movement in trade and other payables	0.00	0.00
19	**Cash flows from operating activities**	**(262,782.26)**	**0.00**
20			
21	Income taxes (paid)/refunded	0.00	0.00
22	**Net cash flows from operating activities**	**(262,782.26)**	**0.00**
23			
24	Cash flows from investing activities		
25	Movement in property, plant and equipment	0.00	0.00
26	Movement in goodwill and other intangibles	0.00	0.00
27	Movements in investments and other assets		
28		**0.00**	**0.00**
29			
30	Cash flows from financing activities		
31	Movement in capital	300,000.00	0.00
32	Movement in other equity		
33	Dividends paid		
34	Movement in borrowings		
35	Movement in capital obligations		
36	Movement in other loans		
37		**300,000.00**	**0.00**
38			
39	Movement in cash and cash equivalents	37,217.74	0.00
40	**Other movements**	**0.00**	**0.00**
41			
42	Opening cash and cash equivalents	0.00	0.00
43			
44	Closing cash and cash equivalents	37,217.74	0.00
45			

Income Statement (standard) | Balance Sheet (standard) | Cash Flow Statement

8		Period Jan 2026 - Aug 2026	Period Jan 2025 - Aug 2025
9	**Operating profit before w/capital changes**		
10	Profit/(Loss) before tax	404,456.13	(43,718.11)
11	Depreciation	0.00	0.00
12	Amortization charges	0.00	0.00
13	Impairment charges		
14		**404,456.13**	**(43,718.11)**
15			
16	Movement in inventories	(111,563.86)	(176,154.52)
17	Movement in trade and other receivables	(22,467.76)	399,395.48
18	Movement in trade and other payables	38,202.00	(51,605.84)
19	**Cash flows from operating activities**	**308,626.51**	**127,917.01**
20			
21	Income taxes (paid)/refunded	0.00	(2,762.21)
22	**Net cash flows from operating activi**	**308,626.51**	**125,154.80**
23			
24	**Cash flows from investing activities**		
25	Movement in property, plant and equipme	52,624.55	(70,119.27)
26	Movement in goodwill and other intangible	0.00	(51.89)
27	Movements in investments and other assets		
28		**52,624.55**	**(70,171.16)**
29			
30	**Cash flows from financing activities**		
31	Movement in capital		
32	Movement in other equity		
33	Dividends paid	0.00	0.00
34	Movement in borrowings	0.00	0.00
35	Movement in capital obligations		
36	Movement in other loans	(257,183.16)	(128,600.00)
37		**(257,183.16)**	**(128,600.00)**
38			
39	Movement in cash and cash equivalents	104,067.90	(73,616.36)
40	**Other movements**	**0.00**	**0.00**
41			
42	Opening cash and cash equivalents	279,278.42	429,687.22
43			
44	Closing cash and cash equivalents	383,346.32	356,070.86

Financial Snapshot | Income Statement (standard) | Balance Sheet (standard) | Cash Flow Statement

Understanding shareholder equity

Paid-in capital and retained earnings explain different sources of equity.

Paid-In Capital

Money contributed by owners.

- Founder or investor contributions
- Increases cash and contributed capital
- Not revenue and not operating profit
- Generally changes through owner transactions

Retained Earnings

Accumulated earnings kept in the business.

- Increases with net income
- Decreases with net losses
- Decreases with dividends or distributions
- Reflects profits retained over time

Same total equity does not mean the same source of equity.

Equity Report

SHIELD COMPLIANCE

Marigold Medical

Equity Summary

Report Date 17 Sep 2026 07:27 (07:27 UTC)

Period 01 Jan 2026 - 31 Aug 2026

	Opening Balance	Movement	Closing Balance
A Tom Greene Equity	0.00	0.00	0.00
Cobalt Entity 020	696,347.79	0.00	696,347.79
D Joe Smith K Equity	0.00	0.00	0.00
Doug Brown	(20,000.00)	0.00	(20,000.00)
Deposit	0.00	0.00	0.00
Dividend	0.00	0.00	0.00
Treasury Stock	523,000.00	0.00	523,000.00
30300 - Joe Smith Distribution	0.00	0.00	0.00
30400 - Joe Smith Equity	(430,000.00)	0.00	(430,000.00)
30420 - Joe Smith B Equity	0.00	0.00	0.00
30450 - Opening Balance Equity	0.00	0.00	0.00
30500 - Tom Greene Distribution	0.00	0.00	0.00
30600 - Tom Greene Equity	(430,000.00)	0.00	(430,000.00)
30700 - L. Cherry Equity	0.00	0.00	0.00
30800 - L. Cherry Disbribution	0.00	0.00	0.00
31000 - Retained Earnings	(2,313,140.82)	0.00	(2,313,140.82)
Profit/(Loss) YTD	0.00	(404,456.13)	(404,456.13)
Total	**(1,973,793.03)**	**(404,456.13)**	**(2,378,249.16)**

SHIELD COMPLIANCE

Equity changes: three common events

Track whether equity came from owners, operations, or distributions.

EVENT	PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
Owner invests $100,000	**+$100,000**	**No change**	**+$100,000**
Company earns $50,000	**No change**	**+$50,000**	**+$50,000**
Company pays $20,000 dividend	**No change**	**−$20,000**	**−$20,000**

Banker takeaway: paid-in capital comes from owners; retained earnings come from cumulative profit less distributions.

How the statements connect

Net income changes retained earnings. Cash flow explains the change in cash.

INCOME STATEMENT

Net income

BALANCE SHEET

Cash and equity

CASH FLOW STATEMENT

Operating + investing + financing

A repeatable way to analyze any transaction

Use the same four questions every time.

1. What happened economically?
2. What is recognized as profit or loss?
3. Which assets, liabilities or equity accounts change?
4. Did cash move, and in which cash flow category?

Scenario 1: Cash sale

OPERATING

A customer purchases $1,000 of product and pays immediately.

DID MONEY MOVE?

What changes on each statement at the moment of sale?

Scenario 1 answer: Cash sale

OPERATING

Customer pays at the time of sale

$1,000 of revenue is earned and collected immediately.

MONEY MOVED

Cash received immediately

Income Statement

Profit impact

- Revenue +$1,000
- Net income +$1,000

Balance Sheet

Position impact

- Cash +$1,000
- Retained earnings +$1,000

Statement of Cash Flows

Cash classification

- Operating inflow +$1,000

Scenario 2: Sale on terms, then collection

OPERATING

A company makes a $1,000 sale on Net 30 terms. The customer pays 30 days later.

DID MONEY MOVE?

Answer twice: at the sale and when the customer pays.

Scenario 2 answer: Sale on terms, then collection

OPERATING

Revenue now. Cash later.

The sale and collection are separate accounting events.

NO MONEY MOVED

At sale: no. At collection: YES

Income Statement

Profit impact

- At sale: revenue +$1,000
- At collection: no new revenue

Balance Sheet

Position impact

- At sale: A/R +$1,000; retained earnings +$1,000
- At collection: cash +$1,000; A/R –$1,000

Statement of Cash Flows

Cash classification

- At sale: no cash flow
- At collection: operating inflow +$1,000

Scenario 3: Receipt of capital

FINANCING

A shareholder contributes $250,000 in cash to the company.

DID MONEY MOVE?

Is this revenue, financing, or both?

Scenario 3 answer: Receipt of capital

FINANCING

Shareholder contributes $250,000

Capital is a financing source, not customer revenue.

MONEY MOVED

Cash received from owner

Income Statement

Profit impact

- No revenue
- No impact on net income

Balance Sheet

Position impact

- Cash +$250,000
- Paid-in capital +$250,000

Statement of Cash Flows

Cash classification

- Financing inflow +$250,000

Scenario 4: Distribution to shareholders

FINANCING

The company distributes $50,000 in cash to shareholders.

DID MONEY MOVE?

Is this an expense, a reduction of equity, or both?

Scenario 4 answer: Distribution to shareholders

FINANCING

Company distributes $50,000

A dividend reduces retained earnings.

MONEY MOVED

Cash disbursed to owners

Income Statement

Profit impact

- No operating expense
- No impact on net income

Balance Sheet

Position impact

- Cash –$50,000
- Retained earnings –$50,000

Statement of Cash Flows

Cash classification

- Financing outflow –$50,000

Scenario 5: Sale of an asset at a gain

INVESTING

Equipment with a $50,000 book value is sold for $70,000 cash.

DID MONEY MOVE?

How much is the gain, and how much cash is received?

Scenario 5 answer: Sale of an asset at a gain

INVESTING

Book value $50,000. Proceeds $70,000.

The gain is $20,000, but cash received is $70,000.

MONEY MOVED

Cash received: $70,000

Income Statement

Profit impact

- Gain +$20,000
- Net income +$20,000

Balance Sheet

Position impact

- Cash +$70,000
- Asset –$50,000
- Retained earnings +$20,000

Statement of Cash Flows

Cash classification

- Investing inflow +$70,000
- Subtract gain in indirect operating reconciliation

Property Report

Fixed Asset Summary

Fixed Asset Summary And Analysis

Report Date 17 Sep 2026 07:27 (07:27 UTC)

Period 01 Jan 2026 - 31 Aug 2026

	Opening Balance	Debit Movement	Credit Movement	Closing Balance
Tangible Assets - Cost				
3150 - New Retail Buildout:Furniture and Fixtures - Retail:accumulated depr	0.00	0.00	0.00	0.00
1707 Warehouse:Building	0.00	0.00	0.00	0.00
1707 Warehouse:MIP Equipment	246,249.49	6,001.97	(68,341.97)	183,909.49
1707 Warehouse:Warehouse Equipment	491,385.99	9,715.45	0.00	501,101.44
15550 - 1707 Warehouse:Leasehold Improvements	862,956.62	0.00	0.00	862,956.62
3150 - New Retail Buildout:Application	0.00	0.00	0.00	0.00
3150 - New Retail Buildout:Furniture and Fixtures - Retail	27,138.12	0.00	0.00	27,138.12
3150 - New Retail Buildout:Leasehold Improvement - NR	107,640.54	0.00	0.00	107,640.54
605 New Cultivation Facility:Furniture and Fixtures	0.00	0.00	0.00	0.00
605 New Cultivation Facility:Leashold Improvements - NC	0.00	0.00	0.00	0.00
Security Deposit:#605	0.00	0.00	0.00	0.00
Security Deposit:Security Deposit - Office	600.00	0.00	0.00	600.00
16520 - Security Deposit:Warehouse	9,316.00	0.00	0.00	9,316.00
16540 - Security Deposit:Retail	5,000.00	0.00	0.00	5,000.00
1707 Warehouse	2,672.61	0.00	0.00	2,672.61
3150 - New Retail Buildout	0.00	0.00	0.00	0.00
605 New Cultivation Facility	0.00	0.00	0.00	0.00
Accumulated Amortization	(300,000.00)	0.00	0.00	(300,000.00)
Accumulated Depr - Leasehold Im	0.00	0.00	0.00	0.00
Accumulated Depr - WH Equip	0.00	0.00	0.00	0.00
Closing Costs	0.00	0.00	0.00	0.00
Other Asset	0.00	0.00	0.00	0.00
15500 - Less, Accumulated Depreciation	(1,355,414.20)	0.00	0.00	(1,355,414.20)
16500 - Security Deposit	0.00	0.00	0.00	0.00
	97,545.17	**15,717.42**	**(68,341.97)**	**44,920.62**

Property Report

Fixed Asset Movement

Marigold Medical
Fixed Asset Movements
Report Date 17 Sep 2026 07:27 (07:27 UTC)
Period 01 Jan 2026 - 31 Aug 2026

Transaction for: **1707 Warehouse:MIP Equipment**

No	Line No	Type	Financial Year	Financial Period	Date	Creation Date	Created Time	Created User Name	Posted Date	Posted Time	Posted User Name	Last Modified Data
47632	9223369858733101770	Deposit	FY-2026	FP-4	17 Apr 2026	20 Apr 2026 12:37	20 Apr 2026 12:37	Admin	20 Apr 2026 12:37	20 Apr 2026 12:37	Admin	7 May 2026 14:10
45166	9223369858733368144	Bill	FY-2026	FP-1	15 Jan 2026	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16
45165	9223369858733368146	Credit	FY-2026	FP-1	15 Jan 2026	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16

Transaction for: **1707 Warehouse:Warehouse Equipment**

No	Line No	Type	Financial Year	Financial Period	Date	Creation Date	Created Time	Created User Name	Posted Date	Posted Time	Posted User Name	Last Modified Data
45605	9223369858733370211	Bill	FY-2026	FP-1	30 Jan 2026	30 Jan 2026 15:52	30 Jan 2026 15:52	Admin	30 Jan 2026 15:52	30 Jan 2026 15:52	Admin	30 Jan 2026 15:52

Scenario 6: Sale of an asset at a loss

INVESTING

Equipment with a $50,000 book value is sold for $40,000 cash.

DID MONEY MOVE?

Can cash increase while the company reports a loss?

Scenario 6 answer: Sale of an asset at a loss

INVESTING

Book value $50,000. Proceeds $40,000.

The company reports a $10,000 loss while cash increases.

MONEY MOVED

Cash received despite loss

Income Statement

Profit impact

- Loss –$10,000
- Net income –$10,000

Balance Sheet

Position impact

- Cash +$40,000
- Asset –$50,000
- Retained earnings –$10,000

Statement of Cash Flows

Cash classification

- Investing inflow +$40,000
- Add loss in indirect operating reconciliation

Scenario 7: Purchase inventory, pay later

OPERATING

The company purchases $100,000 of inventory on supplier credit and pays later.

DID MONEY MOVE?

Answer twice: when inventory arrives and when the supplier is paid.

Scenario 7 answer: Purchase inventory, pay later

OPERATING

Inventory now. Payment later.

Purchase and payment are separate events.

NO MONEY MOVED

At purchase: no. At payment: YES

Income Statement

Profit impact

- At purchase: no expense yet
- Expense occurs as inventory is sold

Balance Sheet

Position impact

- At purchase: inventory +$100,000; A/P +$100,000
- At payment: cash −$100,000; A/P −$100,000

Statement of Cash Flows

Cash classification

- At purchase: no cash flow
- At payment: operating outflow −$100,000

Scenario 8: Purchase an asset with financing

INVESTING + FINANCING

The company buys $500,000 of equipment with $100,000 cash down and $400,000 paid directly by a lender.

DID MONEY MOVE?

Separate the cash portion from the noncash financed portion.

Scenario 8 answer: Purchase an asset with financing

INVESTING + FINANCING

Equipment costs $500,000

$100,000 cash down; lender funds the remaining $400,000.

MONEY MOVED

Borrower cash disbursed: $100,000

Income Statement

Profit impact

- No immediate operating expense
- Future depreciation and interest affect income

Balance Sheet

Position impact

- Equipment +$500,000
- Cash –$100,000
- Debt +$400,000

Statement of Cash Flows

Cash classification

- Investing outflow –$100,000
- $400,000 is a noncash investing and financing activity

Property Report

Fixed Asset Summary

3	**Fixed Asset Summary And Analysis**				
4	**Report Date**	17 Sep 2026 07:27 (07:27 UTC)			
5	**Period**	01 Jan 2026 - 31 Aug 2026			
6					
7		Opening Balance	Debit Movement	Credit Movement	Closing Balance
8	**Tangible Assets - Cost**				
9	3150 - New Retail Buildout:Furniture and Fixtures - Retail:accumulated depr	0.00	0.00	0.00	0.00
10	1707 Warehouse:Building	0.00	0.00	0.00	0.00
11	1707 Warehouse:MIP Equipment	246,249.49	6,001.97	(68,341.97)	183,909.49
12	1707 Warehouse:Warehouse Equipment	491,385.99	9,715.45	0.00	501,101.44
13	15550 - 1707 Warehouse:Leasehold Improvements	862,956.62	0.00	0.00	862,956.62
14	3150 - New Retail Buildout:Application	0.00	0.00	0.00	0.00
15	3150 - New Retail Buildout:Furniture and Fixtures - Retail	27,138.12	0.00	0.00	27,138.12
16	3150 - New Retail Buildout:Leasehold Improvement - NR	107,640.54	0.00	0.00	107,640.54
17	605 New Cultivation Facility:Furniture and Fixtures	0.00	0.00	0.00	0.00
18	605 New Cultivation Facility:Leashold Improvements - NC	0.00	0.00	0.00	0.00
19	Security Deposit:#605	0.00	0.00	0.00	0.00
20	Security Deposit:Security Deposit - Office	600.00	0.00	0.00	600.00
21	16520 - Security Deposit:Warehouse	9,316.00	0.00	0.00	9,316.00
22	16540 - Security Deposit:Retail	5,000.00	0.00	0.00	5,000.00
23	1707 Warehouse	2,672.61	0.00	0.00	2,672.61
24	3150 - New Retail Buildout	0.00	0.00	0.00	0.00
25	605 New Cultivation Facility	0.00	0.00	0.00	0.00
26	Accumulated Amortization	(300,000.00)	0.00	0.00	(300,000.00)
27	Accumulated Depr - Leasehold Im	0.00	0.00	0.00	0.00
28	Accumulated Depr - WH Equip	0.00	0.00	0.00	0.00
29	Closing Costs	0.00	0.00	0.00	0.00
30	Other Asset	0.00	0.00	0.00	0.00
31	15500 - Less, Accumulated Depreciation	(1,355,414.20)	0.00	0.00	(1,355,414.20)
32	16500 - Security Deposit	0.00	0.00	0.00	0.00
33		**97,545.17**	**15,717.42**	**(68,341.97)**	**44,920.62**
34					

SHIELD COMPLIANCE

Property Report

Fixed Asset Movement

Marigold Medical

Fixed Asset Movements

Report Date 17 Sep 2026 07:27 (07:27 UTC)

Period 01 Jan 2026 - 31 Aug 2026

Transaction for: **1707 Warehouse:MIP Equipment**

No	Line No	Type	Financial Year	Financial Period	Date	Creation Date	Created Time	Created User Name	Posted Date	Posted Time	Posted User Name	Last Modified Data
47632	9223369858733101770	Deposit	FY-2026	FP-4	17 Apr 2026	20 Apr 2026 12:37	20 Apr 2026 12:37	Admin	20 Apr 2026 12:37	20 Apr 2026 12:37	Admin	7 May 2026 14:10
45166	9223369858733368144	Bill	FY-2026	FP-1	15 Jan 2026	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16
45165	9223369858733368146	Credit	FY-2026	FP-1	15 Jan 2026	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16	14 Jan 2026 16:16	Admin	14 Jan 2026 16:16

Transaction for: **1707 Warehouse:Warehouse Equipment**

No	Line No	Type	Financial Year	Financial Period	Date	Creation Date	Created Time	Created User Name	Posted Date	Posted Time	Posted User Name	Last Modified Data
45605	9223369858733370211	Bill	FY-2026	FP-1	30 Jan 2026	30 Jan 2026 15:52	30 Jan 2026 15:52	Admin	30 Jan 2026 15:52	30 Jan 2026 15:52	Admin	30 Jan 2026 15:52

Scenario 9: Write off accounts receivable

OPERATING / NONCASH

A $10,000 customer receivable is determined to be uncollectible and is charged off.

DID MONEY MOVE?

The company loses value, but did cash move at the write-off date?

Scenario 9 answer: Write off accounts receivable

OPERATING / NONCASH

Customer balance is written off

The cash was never received. Writing off A/R removes an asset.

NO MONEY MOVED

No cash moved at write-off

Income Statement

Profit impact

- Bad debt loss +$10,000
- Net income –$10,000

Balance Sheet

Position impact

- Accounts receivable –$10,000
- Retained earnings –$10,000

Statement of Cash Flows

Cash classification

- No cash movement at write-off
- Indirect method: add back the noncash loss

AR Report

AR_Receivables Ledger Control

2	Marigold Medical							
3	**Receivables Ledger Control**							
4	**Report Date**	17 Sep 2026 07:27 (07:27 UTC)						
5	**Period**	01 Jan 2026 - 31 Aug 2026						
6								
7								
8	Cobalt Entity 130	Opening Balance	Invoices	Credits	Cash	Journal	Currency	Closing Balance
9	1 Sep 2025 - 30 Sep 2025	11,441.50	108,965.45	(97.50)	(103,950.83)	5,100.00	0.00	21,458.62
10	1 Oct 2025 - 31 Oct 2025	21,458.62	153,333.83	(9,417.50)	(171,580.53)	6,110.00	0.00	(95.58)
11	1 Nov 2025 - 30 Nov 2025	(95.58)	97,046.69	0.00	(90,546.63)	0.00	0.00	6,404.48
12	1 Dec 2025 - 31 Dec 2025	6,404.48	157,842.07	0.00	(151,201.93)	0.00	0.00	13,044.62
13	1 Jan 2026 - 31 Jan 2026	13,044.62	168,839.51	(110.08)	(162,957.39)	0.00	0.00	18,816.66
14	1 Feb 2026 - 28 Feb 2026	18,816.66	126,053.85	0.00	(135,300.17)	0.00	0.00	9,570.34
15	1 Mar 2026 - 31 Mar 2026	9,570.34	109,783.56	(2,660.00)	(100,850.86)	870.04	0.00	16,713.08
16	1 Apr 2026 - 30 Apr 2026	16,713.08	96,428.32	(4,069.90)	(103,557.13)	0.00	0.00	5,514.37
17	1 May 2026 - 31 May 2026	5,514.37	111,331.18	0.00	(110,506.41)	0.00	0.00	6,339.14
18	1 Jun 2026 - 30 Jun 2026	6,339.14	173,154.39	0.00	(159,089.35)	0.00	0.00	20,404.18
19	1 Jul 2026 - 31 Jul 2026	20,404.18	141,185.13	(5.00)	(144,535.07)	0.00	0.00	17,049.24
20	1 Aug 2026 - 31 Aug 2026	17,049.24	134,511.86	(131.56)	(115,021.54)	0.00	0.00	36,408.00
21	**Totals**	**11,441.50**	**1,578,475.84**	**(16,491.54)**	**(1,549,097.84)**	**12,080.04**	**0.00**	**36,408.00**
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SHIELD COMPLIANCE

Common balance sheet changes that do not move cash

Use this as a quick banker reference.

No Immediate Cash Movement

Accounting or noncash events.

- Revenue booked on credit
- Inventory purchased on terms
- Asset financed directly with debt
- Depreciation expense
- Accounts receivable write-off

Cash Moved

Receipt or disbursement occurred.

- Collection of receivables
- Payment of accounts payable
- Capital contribution
- Distribution to owners
- Cash portion of an asset purchase or sale

At-a-glance transaction map

Use this as the reference after the scenario discussion.

TRANSACTION	INCOME STATEMENT	BALANCE SHEET	CASH FLOW / MONEY MOVED
Cash sale	Revenue ↑	Cash ↑; RE ↑	**Operating inflow | YES**
Sale on terms	Revenue ↑	A/R ↑, then cash ↑	**Sale NO; collection YES**
Capital received	No impact	Cash ↑; PIC ↑	**Financing inflow | YES**
Owner distribution	No impact	Cash ↓; RE ↓	**Financing outflow | YES**
Asset sold at gain	Gain ↑	Cash ↑; asset ↓; RE ↑	**Investing inflow | YES**
Asset sold at loss	Loss ↑	Cash ↑; asset ↓; RE ↓	**Investing inflow | YES**
Inventory on credit	No immediate impact	Inventory ↑; A/P ↑	**Purchase NO; payment YES**
Asset financed	Future depn. + interest	Asset ↑; cash ↓; debt ↑	**Cash down payment YES**
A/R write-off	Loss ↑	A/R ↓; RE ↓	**No cash flow | NO**

SHIELD COMPLIANCE

FOLLOW THE MONEY.

Profit tells one story.
The balance sheet stores the evidence.
Cash flow shows when money moved.

In it. With you.